

LEVON RESOURCES LTD.

Toronto Stock Exchange: LVN

OTCQX: LVNVF



---

ANNUAL INFORMATION FORM

---

For the year ended March 31, 2017

Dated: June 27, 2017

## TABLE OF CONTENTS

<b>PRELIMINARY INFORMATION</b>	3
Financial Statements	3
Currency	3
Cautionary Statement Regarding Forward-Looking Information	3
Cautionary Note to US Investors Concerning Reserve and Resource Estimates	5
<b>CORPORATE STRUCTURE</b>	5
The Company	5
<b>GENERAL DEVELOPMENT OF THE BUSINESS</b>	6
Three-Year History and Significant Acquisitions	6
<b>DESCRIPTION OF THE BUSINESS</b>	7
Summary Financial Performance	7
<b>Description of the Exploration Properties</b>	8
Cordero Project, Chihuahua State, Mexico	8
Congress Property, British Columbia, Canada	19
Goldbridge Claims, British Columbia, Canada	23
Wayside Property, British Columbia, Canada	24
Risk factors	25
<b>DIVIDENDS</b>	35
<b>DESCRIPTION OF CAPITAL STRUCTURE</b>	35
<b>MARKET FOR SECURITIES</b>	35
<b>ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER</b>	36
<b>DIRECTORS AND OFFICERS</b>	36
<b>LEGAL PROCEEDINGS AND REGULATORY ACTIONS</b>	39
<b>INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS</b>	39
<b>TRANSFER AGENT AND REGISTRAR</b>	39
<b>MATERIAL CONTRACTS</b>	39
<b>INTERESTS OF EXPERTS</b>	39
<b>ADDITIONAL INFORMATION</b>	40

## **PRELIMINARY INFORMATION**

All information contained in this annual information form (the “AIF”) is as at June 27, 2017, unless otherwise stated.

### **Financial Statements**

This AIF should be read in conjunction with the Company’s audited consolidated financial statements and management’s discussion and analysis for the fiscal years ended March 31, 2017 and March 31, 2016 and the related management’s discussion and analysis. These documents are available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The annual audited consolidated financial statements for the years ended March 31, 2017, and March 31, 2016 contained in this AIF are reported in Canadian dollars and are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). Financial statements prepared in accordance with IFRS are not comparable in all respects with consolidated financial statements that are prepared in accordance with US GAAP.

### **Currency**

All dollar amounts referred to herein are expressed in Canadian dollars, unless otherwise specified.

### **Cautionary Statement Regarding Forward looking Information**

This AIF contains “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities regulations. Such forward-looking statements concern the Company’s anticipated results and developments in our operations in future periods, planned exploration and, if warranted, development of its properties, plans related to its business and other matters that may occur in the future. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “estimates” or “intends”, or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks related to the uncertainty regarding our ability to continue as a going concern in the medium to long-term;
- risk related to realization of investments which may be required to fund operations in the near-term;
- risks related to our history of losses and our need to raise additional capital to continue our operations and to mine our properties;
- risks related to our lack of history of producing metals from our mineral properties;
- risks related to increased costs affecting our financial condition;
- risks related to shortages of equipment and supplies;
- risks related to mining and resource exploration being an inherently dangerous activity;
- risks related to resource estimates;
- risks related to material changes in resource estimates;

- risks related to the mining industry being highly speculative and involving substantial risks;
- risks related to our properties being in the exploration stage;
- risks related to fluctuations in the market prices of commodities, including gold and silver;
- risks related to obtaining necessary permits and licenses;
- risks related to our activities being subject to governmental, environmental and other regulations;
- risks related to pending and potential future regulations regarding climate change;
- risks related to land reclamation costs;
- risks related to our activities being subject to potential political and economic instability and unexpected regulatory change;
- risks related to uncertainty regarding claims of title and right of aboriginal people;
- risks related to our lack of insurance coverage for certain activities;
- risks related to potential litigation;
- risks related to our acquisition activities;
- risks related to competition in the mining industry;
- risks related to potential conflicts of interest of our management;
- risks related to our dependence on our management;
- risks related to managing growth;
- risks related to foreign currency fluctuations;
- risks related to differences in US and Canadian reporting practices for mineral reserve and resource estimates;
- risks related to potential joint ventures and partnerships;
- risks related to evolving corporate governance and public disclosure standards;
- risks related to our not having paid dividends to date; and
- risks related to our stock price and volume being volatile.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. If one or more of these risks or uncertainties materializes, or if underlying assumptions prove incorrect, actual results may vary materially from those expected, estimated or projected. Forward-looking statements in this document are not a prediction of future events or circumstances, and those future events or circumstances may not occur. Given these uncertainties, users of the information included herein, including investors and prospective investors are cautioned not to place undue reliance on such forward-looking statements. Investors should consult the Company's quarterly and annual filings with Canadian securities commissions for additional information on risks and uncertainties relating to forward-looking statements. We do not assume responsibility for the accuracy and completeness of these statements.

Forward-looking statements are based on our beliefs, opinions and expectations at the time they are made, and the Company does not assume any obligation to update forward-looking statements if those beliefs, opinions, or expectations, or other circumstances, should change, except as required by applicable law. **The Company qualifies all the forward-looking statements contained in this AIF by the foregoing cautionary statements.**

## Cautionary Note to United States Investors Concerning Reserve and Resource Estimates

As used in this AIF, the terms “mineral reserve”, “proven mineral reserve” and “probable mineral reserve” are Canadian mining terms as defined in accordance with Canadian National Instrument 43-101—Standards of Disclosure for Mineral Projects (“NI 43-101”) and the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”)—*CIM Definition Standards on Mineral Resources and Mineral Reserves*, adopted by the CIM Council, as amended. These definitions differ from the definitions in the SEC’s Industry Guide 7 (“SEC Industry Guide 7”) under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”). Under SEC Industry Guide 7 standards, a “final” or “bankable” feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all, or any part, of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC Industry Guide 7 standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this AIF and the documents incorporated by reference herein contain descriptions of our mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

## CORPORATE STRUCTURE

### The Company

#### **Name, Address and Incorporation**

Levon Resources Ltd. (formerly 1027949 BC Ltd.) (the “Company” or “Levon”) was incorporated under the Business Corporations Act (British Columbia) on February 18, 2015. The Company’s sole business was to acquire mineral properties and the operations of Old Levon (defined below in “The SciVac Arrangement”) pursuant to the SciVac Arrangement Agreement described below.

The address of the Company’s head office is Suite 500 – 666 Burrard Street, Vancouver, British Columbia, V6C 2X8. The address of the Company’s registered office is Suite 1700, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8.

#### **Intercorporate Relationships**

Levon is the 100% owner of the subsidiary companies listed below:

- Valley High Ventures (“VHV”), which is incorporated under the laws of British Columbia, Canada, and owns 100% of Minera Titan S.A. de C.V. (“Minera Titan”), a company incorporated under the laws of Mexico;
- Administración de Proyectos Levon en México, S.A. de C.V. (“Levon Mexico”); ii) Minera El Camino, S.A. de C.V., each incorporated under the laws of Mexico. Levon Mexico was set up as an

operating company, which is under contract to Minera Titan to complete the Cordero Project exploration program; and

- Aphrodite Asset Holdings Ltd., Turney Assets Limited and Citrine Investment Holdings Ltd. each incorporated under the laws of the British Virgin Islands.

## **GENERAL DEVELOPMENT OF THE BUSINESS**

### **Three Year History and Significant Acquisitions**

The Company is a minerals exploration stage public company whose principal business activities are the exploration for and development of exploration and evaluation of gold, silver, zinc, lead, copper and other base metals properties in Mexico globally, principally in North America. The company's principal asset is the Cordero bulk tonnage silver, zinc, lead, gold, district scale project in southern most Chihuahua State, Mexico.

There have been no significant revenues generated from the Company's exploration activities to date.

The Company's shares are listed on the Toronto Stock Exchange ("the TSX") and trade under the symbol "LVN". The common shares of Levon are also quoted for trading in the United States on the OTCQX under the ticker "LVNVF". The Company is a reporting issuer in each of the Provinces of Canada, except Quebec.

The Company currently has 7 employees in Mexico. All other work is performed by consultants to the Company.

### **The SciVac Arrangement**

On March 20, 2015, the company "1027949 BC Ltd." entered into an arrangement agreement with SciVac Ltd. and the former Levon Resources Ltd. ("Old Levon"; formerly SciVac Therapeutics Inc., now named VBI Vaccines Inc.) pursuant to which on July 9, 2015 it completed the acquisition and assumption of all of the assets and liabilities of Old Levon (including the exploration mining business of Old Levon), other than \$27 million in cash, which was retained by Old Levon (the "Arrangement"). As consideration for the acquisition and assumption of the net assets of Old Levon valued at \$71,869,873, the Company issued to shareholders of Old Levon, 119,542,692 ordinary shares of the Company. At completion of the Arrangement, 1027949 BC Ltd. was renamed Levon Resources Ltd. and Old Levon was renamed SciVac Therapeutics Inc. A Management Information Circular dated May 1, 2015 relating to the Special Meeting of Shareholders and Option holders of Old Levon on June 3, 2015 (the "Information Circular") in connection with the Arrangement was filed and is available on [www.sedar.com](http://www.sedar.com) under the profile of VBI Vaccines Inc. (formerly SciVac Therapeutics Inc.).

On July 14, 2015, the Company was listed on the TSX and commenced trading under the symbol LVN. From September 14, 2015, the common shares of Levon are also quoted for trading in the United States on the OTCQX under the ticker "LVNVF".

With the acquisition of the net assets of Old Levon, the Company's principal business activities are the exploration and development of exploration and evaluation assets. For the period from incorporation through until the completion of the Arrangement, the Company had no revenues or expenses. In the period following completion of the Arrangement, the Company incurred expenses to hold and maintain its Cordero-Sanson Project in Mexico ("the Cordero Project"), has generated no operating revenues, and, at March 31, 2017, does not anticipate any operating revenues from its mining exploration activities until the Company is able to find, acquire, place in production and operate a mine. Historically, Old Levon has raised funds to fund its operations through equity financing and the exercise of options and warrants.

### **Old Levon**

In 2009 Old Levon optioned the Cordero-Sanson Project ("the Cordero Project") as a joint venture operator and conducted mineral exploration under the joint venture, which resulted in the discovery of bulk tonnage silver, zinc, lead, gold mineralization in 2009 drill holes. Old Levon superseded expenditure requirements

to vest in the project under the agreement by discovery expansion drilling, exploration geophysical surveys, geochemical sampling surveys and geological mapping.

In March 2011, Old Levon consolidated 100% ownership in the Cordero Project acquiring all of the shares of VHV which owned the remaining 49% of the Cordero Project. The Cordero Project is located 35 km northeast of the town of Hidalgo Del Parral, in the southern part of the state of Chihuahua in north central Mexico. In February of 2009, the Company commenced field work on the Cordero Project exploring for large scale, bulk tonnage, porphyry type Ag, Au, Zn, Pb deposits, a number of which have been recently discovered in similar geologic settings in central and north central Mexico (Penasquito, Pitarrilla, Camino Rojo and others). The Company drilled discovery holes in 2009, which were the basis for continuing the exploration. The Cordero Project is now held through the Company's wholly-owned Mexico subsidiary company Minera Titan S.A. de C.V. ("Minera Titan"), acquired pursuant to the Arrangement.

Pursuant to the Cordero Arrangement, the Company acquired Old Levon's wholly-owned subsidiary VHV, which is incorporated under the laws of British Columbia, Canada, and owns 100% of Minera Titan. Old Levon had two other wholly-owned subsidiaries incorporated under the laws of Mexico that were also acquired pursuant to the Arrangement: i) Administración de Proyectos Levon en México, S.A. de C.V. ("Levon Mexico"); and ii) Minera El Camino, S.A. de C.V. Levon Mexico was set up as an operating company, which is under contract to Minera Titan to complete the Cordero Project exploration program.

## DESCRIPTION OF THE BUSINESS

### Summary Financial Performance

During the year ended March 31, 2017, the Company reported a net loss of \$5,413,452. The net loss for the year includes an impairment of investments of \$2,619,041, which is partly offset by a gain on disposal of mineral properties of \$150,000. Operating expenses for the year amounted to \$2,897,836, which included share-based compensation of \$668,243.

	Year ended March 31, 2017	Year ended March 31, 2016
Total Revenues	\$ -	\$ -
Loss Before Other Items	(2,897,836)	(2,690,320)
Net Loss for the Year	(5,413,452)	(6,030,462)
Loss per Share, Basic and Diluted	(0.04)	(0.07)
Cash	3,096,105	4,883,196
Working Capital	10,698,390	14,869,175
Total Equity	62,503,765	66,816,225
Weighted Average Number of Common Shares Outstanding	120,871,218	86,880,755

## DESCRIPTION OF THE EXPLORATION PROPERTIES

Presently, the Company is an “exploration stage company”, as all of the Company’s properties are currently in the exploratory stage of development. In order to determine if a commercially viable mineral deposit exists in any of the Company’s properties, further geological work, drilling, engineering and economic modeling will need to be done and a final evaluation based upon the results obtained to conclude economic and legal feasibility to develop a mine.

The Company’s current focus is on the exploration of the Cordero Project property located in the State of Chihuahua Mexico and evaluations of other mineral properties submitted to the Company or generated by Company research.

### Qualified Person

Vic Chevillon, MA, CPG, AIPG Registered Member #1154, Vice President of Exploration and Director for Levon is a “qualified person” as such term is defined in NI 43-101 of the Canadian Securities Administrators and has reviewed and approved the scientific and technical disclosure contained in this AIF.

### Cordero Project, Chihuahua State, Mexico

The information in this AIF with respect to the Cordero Project is extracted from the technical report dated October 15, 2014 pertaining to the Cordero Project (the "Cordero Report") that was commissioned by and prepared for Levon by Herbert E. Welhener, MMSA-QPM, SME Registered Member #3434330RM, in compliance with NI 43-101. Mr. Welhener is a "Qualified Person" and considered "independent" as both those terms are defined in NI 43-101. A copy of the Cordero Report is available under the corporate profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com), and on Levon’s website: [www.levon.com](http://www.levon.com).

### Project Description and Location

The Cordero Project is located in the State of Chihuahua in North Central Mexico approximately 180 km south of the city of Chihuahua, and approximately 35 km northeast of the mining town of Hidalgo Del Parral.



The current land use is cattle ranching and some agriculture with corn and sorghum being the principal crops. Shaft entry underground operations mining of narrow (1 m), high grade veins to the water table (50-



80 m depths) existed in the district until 2013 when the artisan mining was discontinued due to the transfer of claim ownership to Old Levon.

## Mineral Rights

The Cordero Project consists of approximately 37,000 hectares of contiguous mining claims covering the entire Cordero district and is wholly-owned by Minera Titan, which is a Mexico company wholly-owned by Levon. The claims were mostly acquired by staking (concesiones mineras).

In early 2013, Minera Titan exercised two options to purchase agreements for two claim groups covering a central portion of the Cordero resource discovered by Levon. Retained royalties on the two options are summarized in the table below.

In July 2013, Minera Titan purchased the 15.8 hectare Aida claim also located over then unexplored ground in the central part of the Cordero mineral resource (June 2012 Mineral Resource Update Technical Report, IMC (as hereinafter defined) for a cash payment with no underlying royalties. The Aida claim purchase consolidated 100% Minera Titan ownership of all the Cordero Project claims covering the resource discovery area and the entire district.

In November 2015, two additionally staked mining concessions were granted, Oeste and Signos, located to the west and south of the Project.

The following table lists the Cordero Project claims owned currently and the related agreement obligations:

Claim Name (Lot)	Title Number	Area (hectares)	Ownership	Main Obligations		Additional Notes
				Mining Taxes <sup>(1)</sup>	Assessment Filing	
Sansón	230434	7510.8325	Minera Titán 100%	Paid through June 2017	Completed to December 2016	Applications were done by Minera Titan directly.  Assessment work is proven on a yearly basis in the month of May. As such, the December 2016 report was filed in May 2017.
Sansón I	231280	950.0000	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Sansón II	231281	400.0000	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Sansón fracción 1	228104	0.0763	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Sansón fracción 2	228105	0.0906	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Titán	235089	1,700.0000	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Titán I	235090	8,150.0000	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Titán II	241084	100.0000	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
La Perla	240461	400.0000	Minera Titán 100%	Paid through June 2017	Completed to December 2016	

Claim Name (Lot)	Title Number	Area (hectares)	Ownership	Main Obligations		Additional Notes
				Mining Taxes <sup>(1)</sup>	Assessment Filing	
San Pedro	215161	1.9422	Minera Titán 100%	Paid through June 2017	Completed to December 2016	San Pedro purchased (100%) from Minera Cordilleras in 2010. Assignment agreement is legally registered. Underlying 2 % NSR (only under this lot). Minera Titan has first right of refusal.
Unif. Cordero	171994	218.8683	Minera Titán 100%	Paid through June 2017	Completed to December 2016	On February 21, 2013, option was exercised with Jandrina, S. de R. L., Mi. Assignment agreement is legally registered. Minera Titan has right to purchase up to 1% at a rate of US\$500,000 per each 0.5%. Minera Titan retains first right of refusal on remaining NSR.
Argentina	179438	3.9140	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Catas de Plateros	177836	2.0000	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Sergio	214655	9.8172	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
El Santo Job	213841	155.5708	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Todos Santos	238776	2.5040	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
Josefina	172145	6.0750	Minera Titán 100%	Paid through June 2017	Completed to December 2016	On February 21, 2013, option was exercised with Mr. Eloy Herrera. Assignment agreement is legally registered. Underlying 1% NSR. Titan retains first right of refusal on remaining NSR.
Berta	182264	16.5338	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
La Unidad dos	212981	175.7555	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
La Unidad	178498	78.2960	Minera Titán 100%	Paid through June 2017	Completed to December 2016	
San Octavio	165481	2.0000	Minera Titán 100%	Paid through June 2017	Completed to December 2016	San Octavio was acquired on May 2, 2012 from Fernando Rascon. Assignment agreement is legally registered. Not underlying NSR or other obligations.
Aida	189299	15.8610	Minera Titán 100%	Paid through June 2017	Completed to December 2016	The Aida claim was acquired on July 2, 2013. Assignment agreement is legally registered. No underlying NSR or other obligations.
Oeste	244605	3,695.0294	Minera Titán 100%	Paid through June 2017	Completed to December 2016	Applications were done by Minera Titan directly.
Signos	244600	3,756.6168	Minera Titán 100%	Paid through June 2017	Completed to December 2016	Applications were done by Minera Titan directly.
<b>TOTAL</b>		<b>27,351.7834</b>				

Note:

(1) Second semester of 2017, July-December, will be paid in July 2017.

In 2014, Minera Titan staked an additional 17,170 hectares to the west and south of its then 20,000 hectare claim position in order to cover altered and mineralized rocks and the prospective strike extensions of Cordero mineralized belts. In 2015, 7,452 hectares of the claims staked in 2014 were granted. The newly staked Minera Titan claims cover ground previously withdrawn from mineral entry by a Mexico Federal

Government natural gas claim. The Federal Government reopened portions of the natural gas claim for mineral entry, which facilitated Minera Titan staking, which brings the total project claim position to 37,000 hectares.

The claims are contiguous, cover the entire Cordero district and are 100% owned by Levon through Minera Titan. Two small third party claims are the only inlying claims not held by Levon and they are located on the perimeter of the Perla Felsic Dome target 5 km to the south of the resource.

The following table lists the remaining in process claims staked by Minera Titan in 2014:

Claim	Status	Area (hectares)	Owner	Approvals	Comments
Ostra	In process	3,799.7726	Minera Titán 100%		The applications were submitted on June 25, 2014. The applications are in process according to Mining Law.
Volcán	In process	3,755.900	Minera Titán 100%		
Signos	In process	2,162.766	Minera Titán 100%		
<b>TOTAL</b>		<b>9,718.4386</b>			

### Surface Exploration Rights

Surface exploration rights for the Cordero Project claims that cover the resource and some of the principle exploration areas are maintained by separate signed agreements between Minera Titan and two private ranches, and an Ejido. One of the ranches is also the site for office and core storage facilities. The agreements are transferable. The agreement payment schedules are summarized in the following table.

Agreement/Owner	Company in the Agreement	Sign Date	Expiration Date	Payments	Note
Ejido Rancho Cordero	Coro Minera de México, S.A. de C.V. /Minera Titán, S.A. de C.V	December 2014	Renewed to date. The time required to carry out mining exploration work.	MXN\$74,010 annually. Six bi-monthly payment of \$12,335.No VAT is considered.	MXN\$6,167.50 monthly, payable bi-monthly. When drilling, Titan will pay US\$100.00 for each drill hole. In the case that roads are required, the cost will be US\$ 200.00. Payments increase on an annual basis, based on the average inflation rate of the preceding year.
Rancho San Julián/Jose Alberto Rico Urbina	Minera Titán, S.A. de C.V.	Renewal on January 2, 2018	The time required to carry out mining exploration work	US\$ 34,265.94 annually.12 monthly payments of US\$ 2,857.97 plus VAT	12 monthly payments of US\$ 2,857.97 When drilling, Titan will pay US\$100.00 for each drill hole. In the case that roads are required, the cost will be US\$ 200.00.
Fernando Rascón (Las Tierras in Lote A. Fracc Rancho San Juan)	Minera Titán, S.A. de C.V.	April 24, 2012	The time required to carry out mining exploration work	No payment for access.	No payment for access. This is a letter in which Mr. Fernando Rascón Chávez (co-owner) authorizes Minera Titán to enter to Fracción Ato Lot Ain "Rancho San Juan". When drilling, Titan will pay US\$100.00 for each drill hole. In the case that roads are required, the cost will be US\$ 200.00.
Fernando Rascón (Lease of the core storage and field office)	Minera Titán, S.A. de C.V.	January 1, 2017	December 31, 2017 and is renewable.	MXN\$21,623 plus VAT monthly.	MXN\$21,623 monthly Core storage and field office facilities renewal. The rent price shall adjust according consumer index prices.

## **Accessibility, Climate, Local Resources, Infrastructure and Physiography**

The Cordero Project area is located in the southern part of the state of Chihuahua in northern Mexico and is easily accessible by State Highway 24 from Chihuahua or Hidalgo Del Parral. The main project access is by the eastern secondary ranch road located one hundred meters north of the State Highway kilometer marker 150. The access road is maintained by Chihuahua State and leads 10 km to the Levon field office and core sheds near the center of the Cordero Project.

### **Topography, Climate and Physiography**

The Cordero Project topography is gently rolling ranch land with elevations that range from 1,500 to 1,700 m and average 1,600 m.

The project area is located in the semiarid climatic zone of northeastern Mexico with an average annual rainfall of about 20cm which mostly falls in the months of July, August and September. Average temperature ranges between 1°C to 21°C in January and 18°C to 35°C in June. Work within the project area can be carried out year round with only occasional four wheel drive vehicles required for access during wet periods of the summer rainy season.

### **Vegetation**

The dominant vegetation consists of xerophytes scrub, with sparse grassland. Cattle ranching is the dominant industry of the region with local areas of corn and sorghum production.

### **Accessibility**

Chihuahua is the nearest metropolitan city which is 3 hours north on Highway 24, and has the closest international airport. Torreon is a city 5 hours southeast and also has an international airport as well as smelting facilities. A well maintained, private airport with a 9,000 ft paved landing strip suitable for jet traffic is located 25 km south of Cordero at Valle de Allende along the Parral Jimenez highway.

### **Local Resources and Infrastructure**

Hidalgo Del Parral is the nearest town and logistical center. Parral is one of Mexico's oldest mining towns with a population of 120,000. Parral is a source of both skilled and semiskilled labor force that are mine oriented for exploration and for mining purposes. Additionally, the nearby mining centers of Santa Barbara and San Francisco del Oro provide another source of labor. Water is available from wells and abandoned mine shafts within the project area that pierce the water table from depths of 50 m to 80 m. Levon uses these sources for drill water.

A two-tower electric transmission line crosses the southern part of the Cordero Project property and is within 6 km of the Cordero resource. The power is sourced from the Mexico power grid and is the main trunk line for Parral. A second power line along State Highway 24, 10 km to the east of the property, was constructed by the State of Chihuahua in 2010 and extended a utility spur line used by the ranchers to Cordero in 2014. The CFE, Mexico's power authority, did a study for Old Levon, which concluded that there is sufficient power availability for the Cordero Project to advance to the mining stage utilizing the Mexico power grid.

## **History and Exploration**

Prior to 2009, VHV had consolidated a core land position in the historic Cordero high grade silver vein mining district and staked additional contiguous claims to cover a 10,000 hectare land position.

In February 2009, Old Levon signed a Letter of Intent with VHV, to enter into a Joint Venture agreement on the Cordero Project as operator. Under the Joint Venture Agreement Old Levon would earn a 51% interest from VHV by making a cash payment of US\$10,000 (CDN\$12,513) (paid) and by spending CDN\$1,250,000 as program operator by the end of February 2013 with a first year commitment of CDN\$250,000 to explore and develop their then consolidated Cordero Property.

In February of 2009, Old Levon commenced field work on the Cordero Project exploring for large scale, bulk tonnage, porphyry type silver, zinc, lead, gold deposits, a number of which have been recently discovered in similar geologic settings in north central Mexico (Penasquito, Pitarilla, Comino Rojo and others). Old Levon geologic mapping defined the Cordero Porphyry Belt that trends northeast and has a 15 km strike length and is 3 to 5 km wide. The Belt consists of six mineralized intrusive (porphyry) centers including three newly discovered diatreme breccia complexes that have not been explored for large scale, bulk tonnage silver, zinc, lead, gold deposits in the past. The only past bulk tonnage deposit exploration had apparently been by Penoles and confined to the northeastern most Sanson Stock intrusive center of the Belt for Mo and Cu mineralization and for skarn mineralization.

In Phase 1 exploration, by October 2009, Old Levon had drilled three discovery core holes in the central part of the Cordero Porphyry Belt. The discovery holes are separated by 1.3 km of strike length within the Belt. The best intercept in the Old Levon discovery holes was in C09-5 that intersected 152 m grading 80.64 g/T Ag, 1.41% Zn, 1.22% Pb and 0.61 g/T Au in the mineralized Pozo de Plata Diatreme defined by Old Levon mapping and geophysics.

Four follow up phases of exploration grid drilling were conducted to offset the initial discovery holes. The grid drilling revealed widespread, bulk tonnage mineralization among and surrounding the discovery holes. Cordero grid drilling results represent a large scale bulk tonnage silver, zinc, lead, gold discovery, exposed at surface, in an open pit mining configuration.

The first indicated and inferred resources were calculated by Independent Mining Consultants ("IMC") under the regulations of the NI 43-101 reporting requirements by June 2011 near the end of Phase 3 drilling. M3 Engineering and Technology ("M3") completed a NI 43-101 Preliminary Economic Assessment (PEA). This first PEA was completed in January 2012 on the near surface 30% of the initial resource (indicated & inferred), and contained within the modeled open pit configuration, which could not trespass onto the unexplored Aida claim, which Old Levon did not own at that time. Phase 4 drilling continued during the modeling and analysis work by M3 and IMC. An updated NI 43-101 resource estimate was completed in June 2012. This report was then amended and re-filed in May 2013.

Old Levon acquired the Aida claim in center of the 2012 resource by July, 2013 and then grid drilled to explore the claim in late 2013 and early 2014. Aida claim drilling results were better than expected with continuous intercepts from the surface and higher grade mineralization at depth. The current resource update filed in October 2014 includes the Aida claim drilling results.

Concurrently with the resource grid drilling, exploration holes were completed in outlying targets defined by geologic mapping, sampling and geophysical surveys. The geophysics included 3D induced polarization, airborne magnetic, electromagnetic and radiometric surveys, ground gravity and a high resolution magnetotellurics survey. The outlying drill results locally encountered mineralization that warrants additional exploration follow up in the future.

Old Levon Cordero drilling from 2009 through 2014 totaled 126,916 m in 274 core holes.

### **Geological Setting and Mineralization**

The Cordero discovery is district scale, centered on high level, Tertiary porphyry style, bulk tonnage, silver, zinc, lead, gold mineralization. Cordero is within an emerging Chihuahua-Zacatecas regional trend of similar deposits, which includes Penasquito (Goldcorp Inc.), Camino Rojo (Goldcorp Inc.), Pitarilla (Silver Standard Resources, Inc.) and San Agustín (Silver Standard Resources, Inc.) and others.

Silver, zinc, lead, gold and locally copper and moly mineralization at Cordero is controlled by Tertiary igneous rhyolite, dacite porphyry, and granodiorite porphyry, intrusive and volcanic complexes hosted in Cretaceous country rocks of limestone, silty limestone, mudstone and sandstone.

Old Levon geologic mapping, geophysical surveys and geochemical rock and soil sampling establish the mineralized igneous rocks are confined to two northeast trending porphyry belts and an isolated felsic volcanic center to the south. The current bulk tonnage discovery and resource (October, 2014) measures about 3 km by 2 km within the central part of the Cordero Belt.

The Cordero Porphyry Belt is defined by six mineralized porphyry centres. The depth of exposure of the six porphyry centers vary systematically through the strike length of the Belt. Mineralized porphyry stocks are exposed at surface to the northeast end of the Belt (in the resource area) and high level volcanic fields and diatremes, at the surface are associated with projected deeper, intrusive bodies in the southwest part of the Belt. The geologic systematics through the strike length of the Belt helped guide Old Levon exploration of the Belt and will likely be used in the future exploration.

Drill results reveal five types of silver, zinc, lead, gold mineralization in the resource area

- Type 1 – Narrow, high grade vein zone mineralization of galena, sphalerite and some tetrahedrite;
- Type 2 – Diatreme breccia mineralization: clasts, matrix and through going veins hosted by diatreme breccia and mineralized rhyolite and dacite breccia dikes; sphalerite, argentiferous galena, minor silver sulfosalt minerals and pyrite, with rusty weathering carbonate gangue minerals and occasionally rhodocrosite. Diatreme mineralization crops out in the Pozo de Plata Diatreme discovery and is exposed to 500 m depths in the discovery drill grid;
- Type 3 - High grade, massive sulfide replacement type mineralization (mantos) within the contact zones of porphyry intrusives; coarse grained argentiferous galena, sphalerite and lesser pyrite. Type 3 mineralization is exposed only in drill holes in the Pozo de Plata Diatreme and was discovered in hole C10-31. It represents a prime high grade mineralization target type;
- Type 4 – Disseminated and stockwork vein mineralization typical of bulk tonnage porphyry deposits: sphalerite, marmatite, argentiferous galena, minor, very fine grained silver bearing galena, pyrite and locally molybdenite, with associated rusty weathering carbonate and minor rhodocrosite gangue and alteration minerals. Porphyry style pervasive and stockwork controlled alteration assemblages, from green argillic, argillic, propylitic, phyllic and potassic alteration are zoned toward the center of the mineralized system. Pervasive and vein, intergrown alteration minerals including rusty weathering carbonate, rhodocrosite and calcite often substitute for silica within the alteration assemblages in the near surface environment; and
- Type 5 – Younger dacite porphyry hosted disseminated and stockwork copper and molybdenite mineralization beneath the porphyry silver, zinc, lead, gold mineralization of the resource in a northeast part of the resource (exposed in hole C11-163).

## Drilling

The Cordero mineral resource, as set out in the Levon 2014 Tech Report is based exclusively on Old Levon core drilling data. A majority of the holes were drilled either in a north/south drill grid that ranges from 50 m to 200 m drill site spacing depending on the intrusive center drilled.

The core drilling was conducted by HD Drilling S.A de C.V., Mazatlan, Mexico in 2009 through 2013 and Landrill International S.A. De C.V., Mexico City in 2012, and Oretest Drilling S.A. De C.V., Mazatlan, Mexico in 2013 and 2014. The companies drilled on a contract basis using best drilling industry core drilling equipment, supplies and practices. All holes were collared with HQ diameter core and a few holes in the Cordero Porphyry Zone and the Cordero Felsic Dome had to be reduced to NQ diameter core in areas of bad ground conditions or to increase the depth penetration of the drills.

The borehole database was assembled by Old Levon and provided to IMC for use in calculating the mineral resource estimate for each of the updated Cordero resource estimates including the current NI 43-101 2014 Technical Report.

## Sample Preparation, Analysis and Security

All Old Levon drilling was core drilling. During the drilling process, Old Levon provided the following procedure for handling the core, logging data and preparing samples for shipment to ALS Chemex and Act Labs for sample preparation and assaying:

1. The core is drilled. Drillers put wood blocks as a footage marker in the UV resistant, plastic core boxes as they pull the core from the core barrel. Most of the core is HQ diameter (2.50 inches or 63.5 mm) core, but is reduced to NQ (1.775 inches or 45.1 mm) occasionally in rare areas of bad ground, or below 800 m hole depths to extending drilling ranges.
2. The core boxes are transported from the drill rig to the Cordero core shed twice daily and laid out on the ground in the order it was drilled.
3. The core is washed with a water hose by the geologist and the geology is examined, but the core is not touched.
4. The core recovery is measured and recorded using the core blocks for depth reference.
5. The core is photographed with a digital camera in the sun when possible, wet and dry.
6. The geologist completes a CoreMap (log) of the core generally within 30 minutes of when the core is first laid out and provides the DailyCoreMap for scanning and manual data entry into the MasterDailyCoreMap spreadsheet database.
7. The geologist then completes a more detailed Quicklog of the core and provides that for scanning and manual data entry into the MasterQuicklog spreadsheet database.
8. The core is marked by the geologist for sawing and sampling at two meter intervals
9. The core is sawed along the geologist's marks and sampled as marked
10. Core is sampled continuously through two meter sample intervals for all core drilled.
11. The geologist prepares the Standards and Blanks and Twin list using the CoreMap and Quicklog to insert some of the Blanks (after high grade intervals for example) and standards, which are mostly randomly inserted.
12. The core is sampled. The sample Blanks are inserted in the sample stream with a normal sequence sample number in the Core Shed. Core intervals designated by the geologist and marked for twinning is quarter sawed and each quarter sampled and included in its own separate sample bag in the normal sample sequence for analysis.
13. The core samples are bagged in rice bags for ALS Chemex (and in the latest drilling ActLabs) pickup at the core shed.
14. ALS Chemex (or in the latest drilling ActLabs) is notified for sample pickup once each hole is completely sampled and there are a sufficient number of holes to fill their sample truck. A rice bag tally sheet for each shipment is prepared for the project records for each shipment by the sampling team.
15. Once the samples are ready for transfer to the assay lab, a shipment is picked up by the lab and the following procedure completes the assaying of the samples.
16. The lab takes custody of the samples and drives them to their Chihuahua sample preparation facility for processing. The labs ship the sample pulps to their Vancouver labs for analysis.
17. The ALS Chemex lab in Vancouver contacts Levon when each shipment of sample pulps arrives. Levon inserts the numbered Standards into the sample stream before the pulps are analyzed by

ALS Chemex. For the recent ActLab analyses Levon assembled standard, twin and blank QAQC sample numbered envelopes shipped with the core samples. ActLabs then prepared the samples and inserted the Levon QAQC samples in to the sample stream in sample number order.

18. The labs email the preliminary and final lab results to Levon and the results are compiled into the MasterDH and ALSChemexDH spreadsheet databases and more recently into an Access database for the entire project.
19. The labs email the final signed and scanned assay certificates, which are compiled and archived.

The Cordero core sample assays were run by ALS Chemex and more recently ActLabs (from hole C13-251 to C14-274)), which are ISO-certified laboratories. The sample preparation and assaying procedure is:

20. Split core samples were prepared for assaying at the labs in Chihuahua by drying and crushing to 85% minus 10 mesh, followed by riffle-splitting and pulverizing to 95% minus 150 mesh.
21. Assaying was performed at the ALS Chemex lab (or ActLabs after hole C13-251) in Vancouver, B.C. Gold analyses were performed by 30-gram fire assay with atomic absorption finish. Silver, zinc and lead were analyzed as part of a multi-element inductively coupled argon plasma package using a four-acid digestion with over-limit results reanalyzed using ICP-atomic emission spectroscopy.

## **2017 Infill Drill Program**

In April 2017 the Company announced that it planned 5,000m (28 core holes) in close spaced, infill drilling within the Cordero Felsic Dome portion of the 2014 Cordero resource to test for near surface, high grade mineralization within the modeled open pit containing the 2014 Cordero resource, calculated by Independent Mining Consultants ("IMC") (news release of October 20, 2014).

In the face of low metal prices, Levon contracted IMC to study the possibility of the existence of a smaller starter pit within the 2014 Cordero resource. IMC modeled several possible starter open pits. Aida drill results in a central portion of the mineralized Cordero Felsic Dome, document that the resource is exposed at surface and a higher grade feeder zone was intersected by the drilling (news release of February 26, 2014). With these drill results, and additional detailed geological mapping performed by Levon in 2016, together with the IMC starter pit modeling, the Company has designed infill drilling within the 2014 Cordero resource to test for near surface higher grade material to improve a possible starter pit scenario, and further improve the stripping ratio by turning undrilled areas modelled as waste into resource.

Current detailed geologic surface mapping in 2016 and 2017, and past drill results reveal abundant multiple intrusives within the Cordero Felsic Dome Complex that range from several meters to 150 m in diameter. The intrusives are generally enclosed in high grade, mineralized contact breccias that were often missed by the wider spaced resource grid drilling. Infill drilling is planned at 50 to 75 m centers in angle holes in targeted clustered intrusive areas to test for improved bulk tonnage grades.

A 3D reevaluation of all existing project data, and current geologic mapping reveals that the youngest intrusives within the Cordero Dome and the adjoining Pozo de Plata Diatreme, are silicified rhyolites that host the best gold in the resource. Best gold values of the resource to date are in the Pozo de Plata Diatreme. A 0.07 g/t Au shell within the resource extends from the Diatreme up into the Cordero Dome through the youngest silicified and veined rhyolite domes that form the highest peaks in the Cordero Dome Complex. The youngest rhyolites have not been drill tested for Au to date. About 50% of the planned 2017 drilling is aimed at starting to test the youngest rhyolite domes of the Cordero Felsic Dome Complex for Au.

The 2017 infill drilling program started May 13, 2017 and is in progress at the date of this writing. Once the 2017 drilling is complete, the 2014 Cordero resource will be updated. The Company will also consider commissioning a PEA analysis.



## Mineral Resource Estimates

The Cordero October 2014 mineral resource estimate is based on 245 drill holes completed through April 2014. A total of 274 holes have been drilled at Cordero of which 245 lie within the mineral resource block model volume. The mineral resource presented here is for the currently defined Pozo de Plata Diatreme ("Pozo"), the Cordero Felsic Dome and the adjacent Porphyry Zone to the northeast along the strike of the Cordero Porphyry Belt. Outlying initial exploration drilling has intersected mineralization, but no high grade discovery holes that warrant immediate offset, resource definition drilling.

The mineral resource is tabulated within an open pit geometry using an inverse distance estimation block model. The mineral resource is based on 120,239 m of drilling in 245 core holes which is an addition of 19,396 m of drilling in 36 core holes over the drill information used for the June 2012 mineral resource estimate.

The mineral resource crops out at the surface. The resource has not been fully delineated by drilling along most of its perimeter nor at depth down the plunge to the northeast. Within the geometry of the modeled open pit containing the resource, rock in largely undrilled areas has been modeled as unmineralized waste rock. The resulting present calculated stripping ratio (modeled waste to ore) is 1.2 to 1.

A silver equivalent grade in grams per tonne ("g/t") is calculated for each model block based on the metal grades, estimate of mill recovery from two rounds of metallurgical testing for each metal and the metal prices. A summary of the recoveries and metal prices is as follows:

Metal	Mill Recovery	Metal Price
Silver	85.0%	\$20.00/oz
Gold	18.0%	\$1250/oz
Zinc	81.0%	\$0.94/lb
Lead	80.0%	\$0.95/lb

The use of a silver equivalent ("AgEq") to represent the value of the deposit in the September 2014 resource estimate is a change from the previous mineral resource estimates where a NSR was used. This change is to provide the deposit value in a format consistent with the reporting by other polymetallic resource companies.

The October 2014 mineral resource is summarized in the table below at a 15.0 g/t AgEq cutoff grade. The major change from the June 2012 mineral resource is the drilling within the Aida claim which was purchased by Old Levon subsequent to the June 2012 mineral resource and no mineralization on the Aida claim included in the June 2012 mineral resource estimate. The additional drilling also allowed portions of the previous inferred resource to be re-classified as indicated. The mineral resource is within an open pit geometry based on a standard floatation mill with separate zinc and lead circuits, the mill recoveries, operating costs for process, general and administrative expenses and mining, and the post property costs for concentrate shipping and treatment.

Class	ktonnes (metric tonnes 1000)	AgEq, g/t	Ag, g/t	Zn, %	Pb, %	Au, g/t
Indicated	848,462	41.03	17.91	0.479	0.254	0.050
Inferred	92,158	31.39	15.00	0.327	0.195	0.029
Contained Metal			Ag, ounces	Zn, billion pounds	Pb, billion pounds	Au, ounces
Indicated			448,494,796	8.953	4.742	1,366,129
Inferred			44,448,039	0.663	0.397	84,746

*Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred*

resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to the Indicated or Measured mineral resource category.

**Cautionary Note to U.S. Investors:** Mineral resources in the categories reported in the table above are not recognized by SEC Industry Guide 7. The Cordero Project does not have any known Guide 7 compliant mineral reserves. Investors should not assume that any minerals in these categories will ever be upgraded to reserves. See “Cautionary Note to United States Investors Concerning Reserve and Resource Estimates” above.

## **Exploration Costs**

Exploration expenditures to date, including historic exploration expenditures of Old Levon, total about \$32 million. The Company has completed 126,916 metres of core drilling in 274 core drill holes in four Phases of exploration to date. Phase 4 exploration included construction of 4 core sheds on site, which house all of the drill core and all of the drill core sample pulps and rejects, as well as the rock and soils sample pulps. Phase 4 costs also includes advancing the engineering studies of the project including water and power supplies, metallurgy, preliminary mine design and a current resource update study by Independent Mining Consultants (IMC) in collaboration with M3 Engineering and Technology (M3) both in Tucson, Arizona.

## **Proposed Exploration**

At Cordero, the latest 2014 mineral resource remains open to expansion since it has not yet been fully delineated with step out drill holes on its perimeter or at depth. As noted above, in April 2017, the Company announced that it planned 5,000m (28 core holes) in close spaced, infill drilling within the Cordero Felsic Dome portion of the 2014 Cordero resource to test for near surface, high grade mineralization within the modelled open pit containing the 2014 Cordero resource. Once the 2017 drilling is complete, the 2014 Cordero resource will be updated. The Company will also consider commissioning a PEA analysis. The Company expects to further follow the recommendation of the 2014 updated Cordero resource report for additional metallurgical testing and economic modelling in the future.

## **Exploration Potential**

Cordero Project geology, metal assemblages and scale of the porphyry controlled mineralized centers recognized by Levon appear to be most analogous with the Penasquito mine of Goldcorp. The Company believes Cordero Project geology, mineralization and exploration results to date support and extend this geologic analogy. The initial Old Levon Cordero Project discovery was (hole C09-5) centered on a diatreme breccia (news release of November 3, 2009) directly analogous with the Penasquito open pit deposits.

Old Levon recognition of porphyry controlled silver, zinc, lead, gold mineralization 1 km to the northeast (hole C09-8) (news release of November 3, 2009) lead to the application of porphyry exploration model, well known around the world, to guide Cordero Project exploration. The resource grid drilling defines a bulk tonnage mineralized zone about 3 km long and 2 km wide to maximum depths of 1.2 km. The mineralization is largely open to expansion by drilling on strike and at depth.

Geologically important, younger porphyry style copper and molybdenite mineralization has been intersected in a northeast part of the Cordero resource at depth (in hole C11-163 from 900 to 1,200 m) and also possible zinc porphyry, and replacement mineralization beneath the Pozo de Plata Diatreme. Both these geologic occurrences will require future deep exploration follow up.

Outlying Cordero exploration away from the resource encountered mineralization that requires future exploration drilling to fully evaluate the significance. Cordero is in the advanced resource delineation stage in and around the September 2014 published resource and the early exploration stage at depth beneath the resource and in outlying targets within the porphyry belts and the Perla mineralized volcanic centre.

## **Environmental Liabilities**

The Company is not aware of any environmental liabilities at the Cordero Project. M3 Engineering was contracted to complete an environmental audit and to handle exploration permitting for the drilling, which it successfully completed in 2012. Drilling disturbances have all been reclaimed to meet permitting requirements.

## **Risks**

Cordero as currently understood is a low grade, bulk tonnage deposit which will need complete resource and reserve definition. The indicated favorable metal recoveries, favorable infrastructure and mining setting and projected economy of scales, low mining costs are factors supporting development. Low metal prices detract from economic projections.

### **Congress, BRX and Wayside Properties**

#### **Introduction**

As at March 31, 2017, the Company owned eight Crown Granted mineral claims, three mining leases, and 25 mineral title claim units covering a total area of approximately 4,584.5 hectares (11,328.5 acres) in the Lillooet Mining Division, British Columbia, Canada. There are three project areas within the claim group: Congress, BRX and Wayside. The mining leases cover an area of 185.5 hectares (458.4 acres). The mineral claims consist of 3 four-post, 7 two-post with a total area of 525 hectares and 15 converted cell titles, consisting of 199 cells with a total area of 4399 hectares (1,870.2 acres). On April 28, 2016, the Company's ownership of the BRX claims was transferred to Great Thunder Gold Corp. ("Great Thunder") as described below.

Crown granted mineral claims may have surface, water and timber rights attached, in addition to the precious and base mineral rights. They are treated as fee simple, similar to patented mineral claims in other jurisdictions. Crown Granted mineral claims are kept in good standing by payment of mineral land or rural land taxes due annually on July 1. There is no work requirement.

Mining leases are maintained by the payment of annual rental fees of \$20 per hectare per year. The annual rental requirement for the three mining leases is \$3,709.

Mineral claims are kept in good standing by carrying out and documenting work programs or paying cash in lieu. Recording work or paying in lieu must be completed prior to the anniversary date of the claim units. Work requirements and cash in lieu of work is rated a scale that groups titles into 2 year segments; i.e. years 1-2 work requirement is \$5 per hectare, years 3-4 work requirement is \$10 per hectare, years 5-6 work requirement is \$15 per hectare, year 7 and above is \$20 per hectare. Cash in lieu of work is twice the annual work requirement and can only be paid for a minimum of six months or a maximum of twelve months. Reverted Crown Granted claims are treated the same as mineral claims.

All of the properties are contiguous and in good standing.

## Congress Property, British Columbia, Canada



The Company does not currently consider this property to be a material property of the Company. This property is an exploration stage property and is without known reserves, as defined in SEC Industry Guide 7.

### Ownership

The Company owns a 50% interest in 10 mineral claims, three mineral leases, one reverted Crown Granted mineral claim and eight Crown Granted mineral claims in the Lillooet Mining Division, British Columbia, covering approximately 2,077.1 hectares (5,132.6 acres). The registered owner of the properties is Levon Resources Ltd. District Lot 7237 Stibnite No. 2 holds the surface rights in addition to mineral rights. The mineral claims were purchased from a company with common directors. Six of the claims are in good standing until December 25, 2022 and the remainder are due December 25, 2017. All of the claims are contiguous.

The Congress claims are subject to a Joint Venture Agreement dated February 25, 1983 between the Company and Veronex Resources Ltd. ("Veronex"). In 1983 Veronex earned a 50% net interest in the claims (net of a 5% net smelter royalty) held by the Company, by expending \$1,000,000 on the property. Under the terms of the Joint Venture Agreement each party is equally responsible for expenses of the joint ventures. In the event that a party is unable to pay its portion of expenses, such party's interest in the joint venture will be diluted. Exploration under the Joint Venture ceased in 1989. During recent fiscal years, with funding made available through equity financing, exploration activities have recommenced with the Company incurring 100% of expenditures.

The Company is seeking buyers to purchase the claims.

### Location & Access

Located on the north side of Carpenter Lake British Columbia's historic gold producing Bridge River region, the Congress Property is a long standing mining property that supported past high grade gold vein production from three portal entry underground workings. The property is easily accessible by road.

## **Geological Setting**

The property covers Mississippian to Middle Jurassic rocks of the Bridge River Complex, mainly submarine basalt and andesite, with minor chert, argillite and mafic intrusives. These rocks are cut by northwest trending regional scale structures, some with contained Tertiary feldspar porphyry dacite dykes, sub-parallel to the Ferguson and Cadwallader Structures, which bound the historic Bralorne/Pioneer mines. The structures on the property are roughly the same distance from the Upper Cretaceous-Tertiary granitic Bendor Intrusions as the Bralorne/Pioneer mines. The Bendor Intrusions are the same age as the mineralization in the Bralorne/Pioneer mines and are a postulated source for the gold mineralization at these mines and on the Congress Property.

## **Deposit Types and Mineral**

The deposits on the Company's property are members of a well-recognized group of deposits referred to as mesothermal, orogenic or greenstone hosted quartz-carbonate gold vein deposits. These deposits include the Mother Lode and Grass Valley districts in California and most of the greenstone hosted gold deposits in the Canadian shield, including the Timmins-Val d'Or, Red Lake and Hemlo camps. These deposits are quartz carbonate veins in moderately to steeply dipping brittle-ductile shear zones and, locally, in shallow dipping extensional fractures.

Mineralization in the Howard Zones consists of quartz-carbonate veins or stringer zones one to 1.5 meters wide, with altered, mineralized selvages (pyrite, siderite) up to 10 meters total width hosted in basalt and gabbro. The zones strike north to a few degrees west of north and dip steeply to the west. The Howard Zones contain the largest and highest grade resource on the property, with over 100,000 ounces of gold contained in all resource categories totaling more than 300,000 tonnes greater than 10 grams per tonne gold. These resources are refractory and would require oxidation of sulphides to recover the gold.

Mineralized areas in the Lou Zone are stockwork quartz carbonate stringers and silicified zones on the flank of a feldspar porphyry dyke hosted in mafic volcanics. The zone strikes north and dips steeply west. The better mineralized zones are 1.5 to 4.0 meters wide and grade 5 to 11 grams gold/tonne and contain abundant stibnite. The Lou Zone has been oxidized for 2 to 5 meters below surface near the decline portal where a small open pit resource has been outlined.

The better mineralized areas in the Congress Zone, including the 2004 trenches, are massive stibnite veins, 1.25 to 1.5 meters wide, grading 6 to 8 grams gold per tonne hosted in argillite, chert and very sheared mafic volcanic rocks and again, striking north and dipping steeply west. These showings are considered exploration targets for possible future work.

## **Permitting**

The Company holds a Free Miners Certificate ("FMC") #281438, expired effective June 3, 2016. The Company can renew this FMC at any time when further work is planned. Claim holdings can be renewed either by filing assessment reports or paying the cash in lieu fees, as described above under Property Description and Location. Any exploration work utilizing mechanical disturbance, such as drilling or trenching, requires a permit and posting a reclamation bond. The Company currently has \$32,629 in bonds held with the provincial government against existing reclamation liabilities.

The Company believes that it holds all necessary licenses and permits under applicable laws and regulations and believes that it is presently complying in all material respects with the terms of such licenses and permits. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits as are required to explore and develop its properties, commence construction or operation of mining facilities and properties under exploration or development or to maintain continued operations that economically justify the cost.

## History and Exploration

These mineral claims were subject to a Joint Venture Agreement dated February 25, 1983 between Levon and Veronex Resources Ltd. ("Veronex"). Exploration under the Joint Venture ceased in early 1989 when Veronex ceased to contribute to the joint venture's expenses. During recent fiscal years, with funding made available through equity financing, exploration activities have recommenced with the Old Levon incurring 100% of expenditures.

The Congress Zone was discovered in 1913 and has been explored and mined intermittently since then. Significant periods of activity occurred in 1933, when a 1,000 ton bulk sample was mined for metallurgical tests, and 1945-1950, when the vein was developed on 5 underground levels and some mineralized material stopped.

The Howard Zone was discovered in 1959 and explored by Bralorne-Pioneer Mines Ltd. who put in approximately half of the Lower Howard workings between 1960 and 1964. Old Levon carried out surface and underground drilling and drifting between 1976 and 1988 when the rest of the Lower Howard and the Upper Howard workings were excavated.

The Lou Zone was discovered following up on soil geochemical anomalies and VLF-em geophysical anomalies in 1984. Extensive surface drilling was carried out from 1984 to 1988 and a 300 metre trackless decline was driven in the footwall of the zone in 1989. Significant work was suspended until 2004 because of low gold prices. A mechanized trenching program on the northern extensions of the Lou and Congress zones was carried out in the fall of 2004. A diamond drill program was carried out on the Howard Zone in December 2004 and January 2005.

Beginning in May 2007, Old Levon undertook three phases of surface exploration to locate new gold bearing structures on its Congress property situated in the Bridge River Gold Camp. The three phases include prospecting, MMI soil grids, trenching by hand and with an excavator. Prospecting has been successful with the relocation of three previously known showings that have received little exploration work in the past and has also led to several other new discoveries. Most of the relocated target zones are found along the south side of the Gun Creek Canyon, on the north central portion of the Congress Property, and are contained in an area 100m wide by 600m long. The zones found in this area have a general east west trend as opposed to the Congress, Lou and the Howard Zones, that have a north-south trend. Detailed geological mapping will be conducted to determine where diamond drill holes should be placed to test the gold bearing structures found in this area of Gun Creek.

In November 2007, Old Levon announced the approval of a 16-hole (5,000 metres) diamond drill program by the BC Ministry of Mines. The drill program was designed to offset high grade surface gold showings discovered in September 2007, test the size potential of newly recognized porphyry gold controls on high grade stockwork vein zones in Gun Creek Canyon in a northern part of the property and test the northern strike projection of the high grade Lou Gold Zone toward Gun Creek.

During 2008, Old Levon announced that the first three holes of a 16-hole (5000 m) drill program, proposed in October, 2007 were drilled, logged, split and sampled. The drilling campaign was designed to test the strike and dip projections of high grade gold showings discovered in 2007 by rock chip sampling and hand trenching on the north slopes of Gun Creek canyon in a north part of the property.

Drill holes in the campaign were laid out to test for bulk tonnage type gold deposits within the Gun Creek intrusive complex mapped in Gun Creek canyon.

The first three holes cut altered rocks of the intrusive complex and its host rocks. The intrusives, particularly in their contact zones with host rocks, are occasionally veined and contain sparse, coarse to very fine grained stibnite, an antimony sulfide mineral. Surface rock chips generally show a good correlation of Au with stibnite, but vein controlled pyrite also accounts for some of the high grade gold samples at surface. On this basis and since most of the intrusive rocks drilled are altered with abundant disseminated pyrite and at least some sparse pyrite-rich veining, the entire holes have been sampled for assay. No wide stockwork or vein zones (>10m) were cut by the early holes.

In September 2008, Old Levon released the Congress Property, B.C. Drilling Summary Report including the 3m wide intercept grading of 0.395 ounces per ton Au. The drill holes tested part of the newly recognized

Gun Creek dacite stock mapped in a northern part of the property for bulk tonnage gold deposits. Three angle core holes (1,048m total) confirm the presence of Au beneath gold showings prospected at the surface, which are associated with veins and veined zones. Such vein zones have been explored and mined at the Congress and Howard mines in the past. The holes confirm that the surface stockwork vein mineralized zones in the dacite porphyry dikes and sills, narrow down dip and along strike in the vicinity of the holes. The 2008 Program was suspended at 3 holes.

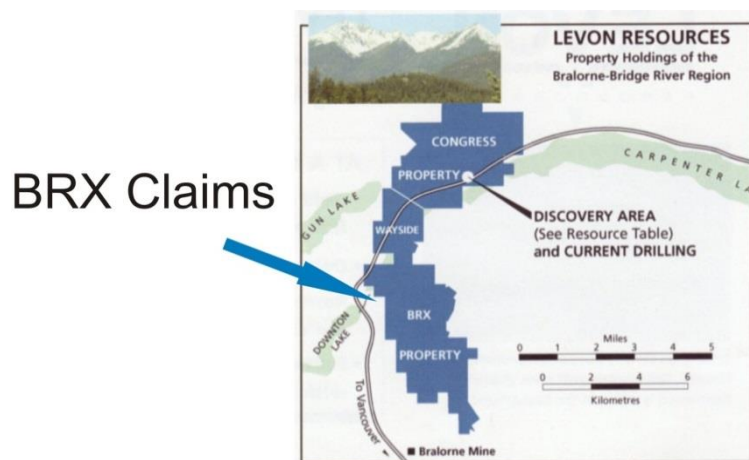
### **Proposed Exploration**

The Company has no plans to carry out exploration activities on the Congress property in the future and the property is for sale.

### **Environmental Liabilities**

The Company is not aware of any environmental liabilities.

### **Goldbridge Claims (also known as the BRX claims), British Columbia, Canada**



### **Ownership**

Old Levon held a 100% interest in the Goldbridge Property, also known as the BRX claims, until fiscal 2002 when Mill Bay Ventures Inc. ("Mill Bay"), a public company related by common directors, earned a 50% interest in the property by incurring \$300,000 in exploration expenditures on the property and issuing to Old Levon 300,000 common shares. Mill Bay Ventures underwent a corporate reorganization and change of name to Great Thunder in 2013 and its interest in the BRX property was transferred accordingly.

On April 11, 2016, Great Thunder announced that it had entered into an agreement with Levon to purchase the remaining 50% interest in the BRX property from Levon by issuing to Levon 3,000,000 common shares (the "Great Thunder Shares"), and a net smelter return royalty equal to 2.5% with respect to the claims."). On April 20, 2016 Levon received the Great Thunder Shares, and on April 28, 2016 Levon's 50% interest in the BRX property was transferred to Great Thunder.

The BRX property consists of nine mineral claims, including eight legacy ground-staked units and one converted cell claim. All units are contiguous and in good standing.

### **Location & Access**

The BRX property lies south of Gold Bridge, centered at approximately latitude 50°50' N, longitude 122° 50' W and encompasses nine claims of which one converted cell claim covers reverted crown grants and eight legacy claims. These claims form one contiguous parcel and cover an area of approximately 1,814.5 hectares (4,550.4 acres). The claims are accessible via Highway 99 North from Vancouver through Squamish and Whistler to Pemberton. From May to November, access can be obtained by turning left through Pemberton, then right along the Pemberton Meadows Road for 23 km to the Hurley River Road,

which passes the Outdoor School and is followed for 50 km to Highway 40, approximately 0.25 km west of Gold Bridge. In winter continue on Highway 99 past Pemberton to Lillooet, then 110 km west along the Carpenter Lake Road (Highway 40) to Gold Bridge.

## History

Between 1984, when the property was acquired, and 1986, Old Levon carried out a re-evaluation involving line cutting, soil sampling, geological mapping, VLF-EM surveys and back-hoe trenching followed by underground sampling and mapping at the *California* 2 level and *Why Not* adits and in 1987, drilled 518 m over six short holes on the Rand zone. In addition two holes of 307 m aggregate were drilled on a quartz vein in the Hurley river bed, about 350 m south of the *Arizona* portal. In late 1994 trenching and drilling on targets located in 1985 found that the gold was generally low grade.

Levon owns a 50% interest in 74 mineral claims. During fiscal 2005, the option was satisfied and Old Levon's interest in the property was reduced to 50%. During 2007 and 2008, Mill Bay incurred \$67,198 and \$25,016, respectively of deferred expenditures on the BRX claims, which were not proportionately funded by Old Levon. Mill Bay waived the requirement of proportionate funding by Old Levon on these specific expenditures; notwithstanding this waiver, the terms of the Joint Venture Agreement were ratified by Mill Bay and Old Levon to remain in effect. During 2008, Old Levon reopened the Arizona portal to the Goldbridge Property to sample the adit for tungsten to determine future exploration.

Old Levon obtained a permit number MX-4503 dated June 27, 2003 and amended March 24, 2004 for which underground development is approved for exploration on vein for a total of 60 m. A permit issued in 1994 for trenching and drilling on the property is still extant and for which a reclamation bond of \$3,500 remains with the provincial government.

## Proposed Exploration

As at the date of this report, the Company no longer holds any interest in the BRX property, except for the net smelter return royalty of 2.5% with respect to the claims.

## Environmental Liabilities

The Company is not aware of any environmental liabilities.

## Wayside Property, British Columbia, Canada

### Wayside Property



The Company does not currently consider this property to be a material property of the Company. This property is an exploration stage property and is without known reserves, as defined in SEC Industry Guide 7.



## **Ownership**

In 1997 Old Levon acquired a 100% interest 27 mineral claims, converted into three cells, known as the Wayside claims for \$5,000. There has been no exploration activity on the claims nor are there future plans to conduct exploration at this time. The claims are considered of merit and Levon will continue to maintain them in good standing. Old Levon wrote the claims down in fiscal 2002 to \$1 by a charge to operations of \$37,079. Subsequently in 2007, Old Levon incurred exploration expenditures in the amount of \$9,088.

## **Location & Access**

Located on the north side of Carpenter Lake British Columbia's historic gold producing Bridge River region. The property is easily available by road.

## **Proposed Exploration**

As at the date of this report, the Wayside Property is without known Mineral Reserves, and any activities carried out on the property are exploratory in nature.

## **Risk Factors**

This Annual Report contains forward-looking statements that involve risk and uncertainties. Our actual results may differ materially from the results discussed in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed below and elsewhere in this Annual Report.

### **Risk Related to Our Current Operations**

***There is uncertainty regarding our ability to continue as a going concern in the medium to longer-term.***

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's ability to continue as a going concern is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations or the ability of the Company to raise alternative financing.

The Company is currently in the exploration stage of its properties. If the Company determines based on its most recent information that it is feasible to begin operations on its properties, the Company will be required to raise additional capital in order to develop and bring the properties into production. Our ability to raise funds will depend on several factors, including, but not limited to, current economic conditions, our properties, our prospects, metal prices, businesses competing for financing and our financial condition. There can be no assurance that we will be able to raise funds, or to raise funds on commercially reasonable terms.

Currently, the Company has sufficient working capital to complete its current infill drill program and cover its operating overheads for the next twelve months. However, the Company may need to divest investments to realize funds to fully cover its funding requirements over that period. The Company can provide no assurance that it will be able to divest its investments at values that will enable it to realize its funding requirements.

***We have a history of losses and we will be required to raise additional capital to continue our operations and to mine our properties.***

We have not been profitable since our inception. For the fiscal year ended March 31, 2017, we had a net loss of \$5,413,452 and an accumulated deficit on March 31, 2017 of \$11,443,914. We have not generated revenues from operations and do not expect to generate revenues from operations until one or more of our properties are placed in production. All of our properties are in the exploration stage, which means that we have no known mineral reserves on our properties. We currently do not have sufficient funds to fully complete exploration and development work on any of our properties, which means that we will be required to raise additional capital, enter into joint venture relationships or find alternative means to finance placing

one or more of our properties into commercial production, if warranted. If the Company fails to raise additional funds it will curtail its activities and may risk being able to maintain its interests in its mineral properties.

Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, and, development or production on one or more of our properties and any properties we may acquire in the future or even a loss of property interests. This includes our leases over claims covering the principal deposits on our properties, which may expire unless we expend minimum levels of expenditures over the terms of such leases. We cannot be certain that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable or acceptable to us. Future financings may cause dilution to our shareholders.

***We have no history of producing metals from our mineral properties.***

We have no history of producing metals from any of our properties. Our properties are all exploration stage properties in various stages of exploration. Advancing properties from exploration into the development stage requires significant capital and time and successful commercial production from a property, if any, will be subject to completing feasibility studies, permitting and construction of the mine, processing plants, roads, and other related works and infrastructure. As a result, we are subject to all of the risks associated with developing and establishing new mining operations and business enterprises including:

- completion of feasibility studies to identify reserves and commercial viability, including the ability to find sufficient silver reserves to support a commercial mining operation;
- the timing and cost, which can be considerable, of further exploration, preparing feasibility studies, permitting and construction of infrastructure, mining and processing facilities;
- the availability and costs of drill equipment, exploration personnel, skilled labor and mining and processing equipment, if required;
- the availability and cost of appropriate smelting and/or refining arrangements, if required;
- compliance with environmental and other governmental approval and permit requirements;
- the availability of funds to finance exploration, development and construction activities, as warranted;
- potential opposition from non-governmental organizations, environmental groups, local groups or local inhabitants which may delay or prevent development activities; and
- potential increases in exploration, construction and operating costs due to changes in the cost of fuel, power, materials and supplies.

The costs, timing and complexities of exploration, development and construction activities may be increased by the location of our properties and demand by other mineral exploration and mining companies. It is common in exploration programs to experience unexpected problems and delays during drill programs and, if warranted, development, construction and mine start-up. Accordingly, our activities may not result in profitable mining operations and we may not succeed in establish mining operations or profitably producing metals at any of our properties.

***Increased costs could affect our financial condition.***

We anticipate that costs at our projects that we may explore or develop, will frequently be subject to variation from one year to the next due to a number of factors, such as changing ore grade, metallurgy and revisions to mine plans, if any, in response to the physical shape and location of the ore body. In addition, costs are affected by the price of commodities such as fuel, rubber and electricity. Such commodities are at times subject to volatile price movements, including increases that could make production at certain operations less profitable. A material increase in costs at any significant location could have a significant effect on our profitability.

The recovery of value added taxes (“VAT”) paid in Mexico is a challenging and uncertain process as VAT claims filed are often subject to and delayed by government audits or review procedures, which require the provision of significant amounts of specific documentation support and recurring demands for follow-up information. If VAT amounts legitimately paid and claimed by the Company are not recovered in the near-term, or VAT claims filed are ultimately denied by the Mexican government, with or without reasonable justification, the Company will face higher cash operating costs and its financial position may be adversely impacted.

***A shortage of equipment and supplies could adversely affect our ability to operate our business.***

We are dependent on various supplies and equipment to carry out our mining exploration and, if warranted, development operations. The shortage of such supplies, equipment and parts could have a material adverse effect on our ability to carry out our operations and therefore limit or increase the cost of production.

***Mining and resource exploration is inherently dangerous and subject to conditions or events beyond our control, which could have a material adverse effect on our business and plans.***

The Company acknowledges that mining and mineral exploration involves various types of risks and hazards, including:

- environmental hazards;
- power outages;
- metallurgical and other processing problems;
- unusual or unexpected geological formations;
- personal injury, flooding, fire, explosions, cave-ins, landslides and rock-bursts;
- inability to obtain suitable or adequate machinery, equipment, or labor;
- metals losses;
- fluctuations in exploration, development and production costs;
- labor disputes;
- unanticipated variations in grade;
- mechanical equipment failure; and
- periodic interruptions due to inclement or hazardous weather conditions.

These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability. We may not be able to obtain insurance to cover these risks at economically feasible premiums. Insurance against certain environmental risks, including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from production, is not generally available to us or to other companies within the mining industry. We may suffer a material adverse effect on our business if we incur losses related to any significant events that are not covered by our insurance policies. The Company is currently conducting an infill drill program at the Cordero property which may involve some of the risks and hazards described above.

***Any material changes in mineral resource estimates and grades of mineralization will affect the economic viability of placing a property into production and a property’s return on capital.***

As we have not completed feasibility studies on any of our properties and have not commenced actual production, mineralization resource estimates may require adjustments or downward revisions. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by our feasibility studies and drill results. Minerals recovered in small scale tests may not be duplicated in large scale tests under on-site conditions or in production scale.

The resource estimates contained in this Annual Report have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate. Extended declines in market prices for gold, silver or other commodities may render portions of our mineralization and resource estimates uneconomic and result in reduced reported mineralization or adversely affect the

commercial viability determinations we reach. Any material reductions in estimates of mineralization, or of our ability to extract this mineralization, could have a material adverse effect on our share price and the value of our properties. The Company is currently conducting an infill drill program at the Cordero property. The Company can provide no assurance that the results of the infill drill program will materially improve the resource estimate and positively impact the economic viability of the Project.

***The mining industry is highly speculative and involves substantial risks.***

The mining industry, from exploration, development and production is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits, which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by us may be affected by numerous factors which are beyond our control and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in us not receiving an adequate return on investment capital.

***Our properties are all at the exploration stage and have no proven reserves. Our exploration activities on our properties may not be commercially successful, which could lead us to abandon our plans to develop the property and our investments in exploration.***

Our long-term success depends on our ability to identify mineral deposits on our existing properties and other properties we may acquire, if any, that we can then develop into commercially viable mining operations. Despite exploration work on our mineral claims, no known bodies of commercial ore or economic deposits have been established on any of our properties. In addition, we are at the exploration stage on all of our properties and substantial additional work will be required in order to determine if any economic deposits occur on our properties. Mineral exploration is highly speculative in nature, involves many risks and is frequently non-productive. These risks include unusual or unexpected geologic formations, and the inability to obtain suitable or adequate machinery, equipment or labor. The success of gold, silver and other commodity exploration is determined in part by the following factors:

- the identification of potential mineralization based on surficial analysis;
- availability of government-granted exploration permits;
- the quality of our management and our geological and technical expertise; and
- the capital available for exploration and development work.

Substantial expenditures are required to establish proven and probable reserves through drilling and analysis, to develop metallurgical processes to extract metal, and to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Even in the event commercial quantities of minerals are discovered, the exploration properties might not be brought into a state of commercial production. Finding mineral deposits is dependent on a number of factors, including the technical skill of exploration personnel involved. Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which fluctuate widely; and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. We may invest significant capital and resources in exploration activities and abandon such investments if we are unable to identify commercially exploitable mineral reserves. The decision to abandon a project may have an adverse effect on the market value of our securities and the ability to raise future financing.

***Changes in the market price of gold, silver and other metals, which in the past has fluctuated widely, will affect the profitability of our operations and financial condition.***

Our long-term viability and future profitability depend, in large part, upon the market price of gold and other metals and minerals produced from our mineral properties. The market price of gold and other metals is volatile and is impacted by numerous factors beyond our control, including:

- expectations with respect to the rate of inflation;
- the relative strength of the U.S. dollar and certain other currencies;
- interest rates;
- global or regional political or economic conditions;
- supply and demand for jewelry and industrial products containing metals;
- sales by central banks and other holders, speculators and producers of gold and other metals in response to any of the above factors; and
- any executive order curtailing the production or sale of gold.

The volatility in gold and silver prices is illustrated by the following table, which sets forth, for the periods indicated (calendar year), the average annual market prices in U.S. dollars per ounce of gold and silver, based on the daily London P.M. fix, as shown in the table below:

<b>Mineral</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Gold</b>	<b>\$1,250.74</b>	<b>\$ 1,160.06</b>	<b>\$ 1,266.40</b>	<b>\$ 1,411.23</b>	<b>\$ 1,668.98</b>
<b>Silver</b>	<b>\$ 17.14</b>	<b>\$ 15.60</b>	<b>\$ 19.08</b>	<b>\$ 23.79</b>	<b>\$ 31.15</b>

The volatility of mineral prices represents a substantial risk which no amount of planning or technical expertise can fully eliminate. In the event gold prices decline or remain low for prolonged periods of time, we might be unable to develop our properties, which may adversely affect our results of operations, financial performance and cash flows.

A decrease in the market price of gold and other metals could affect the commercial viability of our properties and our anticipated development of such properties in the future. Lower gold prices could also adversely affect our ability to finance exploration and development of our properties.

***We may not be able to obtain all required permits and licenses to place any of our properties into production.***

Our operations require licenses and permits from various governmental authorities. We believe that we hold all necessary licenses and permits under applicable laws and regulations and believe that we are presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that we will be able to obtain or maintain all necessary licenses and permits as are required to explore and develop our properties, commence construction or operation of mining facilities and properties under exploration or development or to maintain continued operations that economically justify the cost.

***Our exploration activities are subject to various federal, provincial, state and local laws and regulations.***

Laws and regulations govern the exploration, development, mining, production, importing and exporting of minerals; taxes; labor standards; occupational health; waste disposal; protection of the environment; mine safety; toxic substances; and other matters. In many cases, licenses and permits are required to conduct mining operations. Amendments to current laws and regulations governing operations and activities of mining companies or more stringent implementation thereof could have a substantial adverse impact on us. Applicable laws and regulations will require us to make certain capital and operating expenditures to initiate new operations. Under certain circumstances, we may be required to stop our exploration activities once we are started until a particular problem is remedied or to undertake other remedial actions.

***Our activities are subject to environmental laws and regulations that may increase our costs of doing business and restrict our operations.***

All phases of our operations are subject to environmental regulation in the jurisdictions in which we operate. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species

and reclamation of lands disturbed by mining operations. Compliance with environmental laws and regulations and future changes in these laws and regulations may require significant capital outlays and may cause material changes or delays in our operations and future activities. It is possible that future changes in these laws or regulations could have a significant adverse impact on our properties or some portion of our business, causing us to re-evaluate those activities at that time.

***Regulations and pending legislation governing issues involving climate change could result in increased operating costs, which could have a material adverse effect on our business.***

A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to various climate change interest groups and the potential impact of climate change. Legislation and increased regulation regarding climate change could impose significant costs on us, our venture partners and our suppliers, including costs related to increased energy requirements, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations. Any adopted future climate change regulations could also negatively impact our ability to compete with companies situated in areas not subject to such limitations. Given the emotion, political significance and uncertainty around the impact of climate change and how it should be dealt with, we cannot predict how legislation and regulation will affect our financial condition, operating performance and ability to compete. Furthermore, even without such regulation, increased awareness and any adverse publicity in the global marketplace about potential impacts on climate change by us or other companies in our industry could harm our reputation. The potential physical impacts of climate change on our operations are highly uncertain, and would be particular to the geographic circumstances in areas in which we operate. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. These impacts may adversely impact the cost, production and financial performance of our operations.

***Land reclamation requirements for our properties may be burdensome and expensive.***

Although variable depending on location and the governing authority, land reclamation requirements are generally imposed on mineral exploration companies (as well as companies with mining operations) in order to minimize long term effects of land disturbance.

Reclamation may include requirements to:

- control dispersion of potentially deleterious effluents;
- treat ground and surface water to drinking water standards; and
- reasonably re-establish pre-disturbance land forms and vegetation.

In order to carry out reclamation obligations imposed on us in connection with our potential development activities, we must allocate financial resources that might otherwise be spent on further exploration and development programs. We plan to set up a provision for our reclamation obligations on our properties, as appropriate, but this provision may not be adequate. If we are required to carry out unanticipated reclamation work, our financial position could be adversely affected.

***Our operations are subject to potential political or economic instability and unexpected regulatory change.***

Certain of our properties are located in countries, provinces and states more likely to be subject to political and economic instability, or unexpected legislative change, than is usually the case in certain other countries, provinces and states. Our mineral exploration activities could be adversely effected by:

- political instability and violence;
- war and civil disturbances;
- expropriation or nationalization;
- changing fiscal regimes;
- fluctuations in currency exchange rates;
- high rates of inflation;
- underdeveloped industrial and economic infrastructure;
- changes in the regulatory environment governing mineral properties; and
- unenforceability of contractual rights,

any of which may adversely affect our business in that country.

***Title to some of our mineral properties may be challenged or defective. Aboriginal groups may raise title disputes in relation to land claims. Any impairment or defect in title could have a negative impact on our results of operations and financial condition. We are not aware of any such issues on any of our properties.***

The acquisition of title to mineral properties is a very detailed and time-consuming process. There is no guarantee that title to any of our properties will not be challenged or impaired. Third parties may have valid claims underlying portions of our interests, including prior unregistered liens; agreements; transfers or claims, including aboriginal land claims; and title may be affected by, among other things, undetected defects. As a result, we may be constrained in our ability to operate our properties or unable to enforce our rights with respect to our properties. An impairment to, or defect in, title to our properties could have a material adverse effect on our business, financial condition or results of operations. ***We are not aware of any such issues on any of our properties.***

***We do not maintain insurance with respect to certain high-risk activities, which exposes us to significant risk of loss.***

Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations or other conditions are often encountered. We may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it cannot maintain insurance at commercially reasonable premiums. Any significant claim would have a material adverse effect on our financial position and prospects. We are not currently covered by any form of environmental liability insurance, or political risk insurance, since insurance against such risks (including liability for pollution) may be prohibitively expensive. We may have to suspend operations or take cost interim compliance measures if we are unable to fully fund the cost of remedying an environmental problem, if it occurs.

***We may be subject to costly litigation.***

Although we are not currently subject to litigation, we may become involved in disputes with other parties in the future, which may result in litigation. Any litigation could be costly and time consuming and could divert our management from our business operations. In addition, if we are unable to resolve any litigation favorably, it may have a material adverse impact on our financial performance, cash flow and results of operations.

***Our acquisition activities may expose us to additional risks in the future.***

We undertake evaluations of opportunities to acquire additional mining properties. Any resulting acquisitions may be significant in size, may change the scale of our business, and may expose us to new geographic, political, operating, financial and geological risks. Success in our acquisition activities depends on our ability to identify suitable acquisition candidates, acquire them on acceptable terms, and integrate their operations successfully. Any acquisitions would be accompanied by risks, such as a significant decline in the price of gold or silver, the ore body proving to be below expectations, the difficulty of assimilating the operations and personnel of any acquired companies, the potential disruption of our ongoing business, the inability of management to maximize the financial and our strategic position through the successful integration of acquired assets and businesses, the maintenance of uniform standards, controls, procedures and policies, the impairment of relationships with customers and contractors as a result of any integration of new management personnel and the potential unknown liabilities associated with acquired mining properties. In addition, we may need additional capital to finance an acquisition. Historically, we have raised funds through equity financing and the exercise of options and warrants. However, the market prices for natural resources are highly speculative and volatile. Accordingly, instability in prices may affect interest in resource properties and the development of and production from such properties that may adversely affect our ability to raise capital to acquire and explore resource properties. There can be no assurance that we would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.



***We operate in a highly competitive industry.***

We compete with other developmental resource companies, which have similar operations, and many competitors have operations, financial resources, and industry experience greater than us. We may encounter increasing competition from other mining companies in our efforts to acquire mineral properties and hire experienced resource industry professionals. Increased competition in our business could adversely affect our ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

There is a limited supply of desirable mineral lands available for acquisition, claim staking or leasing in the areas where we contemplate expanding our operations and conducting exploration activities. Many participants are engaged in the mining business, including large, established mining companies. Accordingly, there can be no assurance that we will be able to compete successfully for new mining properties.

***Competition for recruitment and retention of qualified personnel.***

We compete with other exploration companies, many of which have greater financial resources than us or are further in their development, for the recruitment and retention of qualified employees and other personnel. Competition for exploration resources at all levels is currently very intense, particularly affecting the availability of manpower, drill rigs and supplies. If we require and are unsuccessful in acquiring additional personnel or other exploration resources, we will not be able to grow at the rate we desire or at all.

***Our directors and officers may have conflicts of interest as a result of their relationships with other companies.***

Certain of our directors and officers are officers and/or directors of, or are associated with, other natural resource companies that acquire interests in mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors are required by law, however, to act honestly and in good faith with a view to our best interests and those of our shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with us and to abstain from voting as a director for the approval of any such transaction.

***We are dependent on our management.***

We are dependent on the services of key executives including our President and Chief Executive Officer and other highly skilled and experienced executives and personnel focused on advancing our corporate objectives as well as the identification of new opportunities for growth and funding. Due to our relatively small size, the loss of these persons or our inability to attract and retain additional highly skilled employees required for our activities may have a material adverse effect on our business and financial condition.

***We are subject to foreign currency fluctuations.***

We operate in more than one country and our functional currency is the Canadian Dollar. Our offices are located in Canada, and certain of our mining exploration properties are located in Mexico and the United States. The Company's financial results are reported in Canadian Dollars. Any appreciation in the currency of the United States, Mexico or other countries where we may carryout exploration activities against the Canadian or U.S. Dollar will increase our costs of carrying out operations in such countries. Fluctuations in and among the various currencies in which we operate could have a material effect on our operations and financial results.

***There are differences in U.S. and Canadian practices for reporting reserves and resources.***

Our reserve and resource estimates are not directly comparable to those made in filings subject to SEC reporting and disclosure requirements, as we generally report reserves and resources in accordance with Canadian practices. These practices are different from the practices used to report reserve and resource estimates in reports and other materials filed with the SEC. It is Canadian practice to report measured, indicated and inferred resources, which are generally not permitted in disclosure filed with the SEC by United States issuers. In the United States, mineralization may not be classified as a "reserve" unless the



determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. United States investors are cautioned not to assume that all or any part of measured or indicated resources will ever be converted into reserves.

Further, "inferred resources" have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Disclosure of "contained ounces" is permitted disclosure under Canadian regulations; however, the SEC only permits issuers to report "resources" as in place tonnage and grade without reference to unit measures.

Accordingly, information concerning descriptions of mineralization, reserves and resources contained in this report, or in the documents incorporated herein by reference, may not be comparable to information made public by other United States companies subject to the reporting and disclosure requirements of the SEC.

***Joint ventures and other partnerships may expose us to risks.***

In the future, we may enter into joint ventures or other partnership arrangements with other parties in relation to the exploration, development and production of certain of the properties in which we have an interest. Joint ventures can often require unanimous approval of the parties to the joint venture or their representatives for certain fundamental decisions such as an increase or reduction of registered capital, merger, division, dissolution, amendments of constating documents, and the pledge of joint venture assets, which means that each joint venture party may have a veto right with respect to such decisions which could lead to a deadlock in the operations of the joint venture or partnership. Further, we may be unable to exert control over strategic decisions made in respect of such properties. Any failure of such other companies to meet their obligations to us or to third parties, or any disputes with respect to the parties' respective rights and obligations, could have a material adverse effect on the joint ventures or their properties and therefore could have a material adverse effect on our results of operations, financial performance, cash flows and the price of our common shares.

**Risks Related to Our Securities**

***Our common shares have limited and volatile trading volume.***

Although our common shares are listed on the Toronto Stock Exchange, referred to as the "TSX" and are occasionally traded in the United States on OTCQX, the volume of trading has been limited and volatile in the past and is likely to continue to be so in the future, reducing the liquidity of an investment in our common shares and making it difficult for investors to readily sell their shares in the open market. Without a liquid market for our common shares, investors may be unable to sell their shares at favorable times and prices and may be required to hold their shares in declining markets or to sell them at unfavorable prices.

***Our common shares have experienced volatility in share price.***

In recent years, securities markets in Canada have experienced a high level of price volatility. The market price of many resource companies, particularly those, like us, that are considered speculative exploration companies, have experienced wide fluctuations in price, resulting in substantial losses to investors who have sold their shares at a low price point. These fluctuations are based only in part on the level of progress of exploration, and can reflect general economic and market trends, world events or investor sentiment, and may sometimes bear no apparent relation to any objective factors or criteria. During the fiscal year ended March 31, 2017, our common share fluctuated on the TSX between a low of \$0.14 and a high of \$0.71. Subsequent to the fiscal year ended March 31, 2017, our common share price has fluctuated between a low of \$0.36 and a high of \$0.49. Significant fluctuations in our common share price are likely to continue, and could potentially increase in the future.

***U.S. investors may experience difficulty in effecting service of process against us.***

We are incorporated under the laws of the Province of British Columbia, Canada. Consequently, it will be difficult for United States investors to affect service of process in the United States upon our directors or officers, or to realize in the United States upon judgments of United States courts predicated upon civil liabilities under the United States securities laws. The majority of our directors and officers are not residents of the United States. A judgment of a United States court predicated solely upon such civil liabilities would probably be enforceable in Canada by a Canadian court if the United State court in which the judgment was

obtained had jurisdiction, as determined by the Canadian court, in the matter. There is substantial doubt whether an original action could be brought successfully in Canada against any of such persons or us predicated solely upon such civil liabilities.

***We do not currently intend to pay cash dividends.***

We have never declared or paid cash dividends on our common shares. We currently intend to retain future earnings to finance the operation, development and expansion of our business. We do not anticipate paying cash dividends on our common shares in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of our board of directors and will depend on our financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that our board of directors considers relevant. Accordingly, investors will only see a return on their investment if the value of our securities appreciates.

***Penny stock rules may make it more difficult to trade our common shares.***

The SEC has adopted rules that regulate broker-dealer practices in connection with transactions in "penny stocks". Generally, penny stocks are equity securities with a price of less than US\$5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system). Since our common shares are traded for less than US\$5.00 per share, the shares are subject to the SEC's penny stock rules. Our common shares will be subject to the penny stock rules until such time as (1) the issuer's net tangible assets exceed US\$5,000,000 during the issuer's first three years of continuous operations or US\$2,000,000 after the issuer's first three years of continuous operations; or (2) the issuer has had average revenue of at least US\$6,000,000 for three years. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document prescribed by the SEC that provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer must obtain a written acknowledgement from the purchaser that the purchaser has received the disclosure document. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These requirements may have the effect of reducing the level of trading activity in the secondary market for a stock that becomes subject to the penny stock rules. Such rules and regulations may make it difficult for holders to sell our common shares, and they may be forced to hold it indefinitely.

***The Company may be subject to risks relating to the global economy.***

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede the Company's access to capital or increase the cost of capital. From 2007 to 2009, the United States credit markets began to experience serious disruption due to deterioration in residential property values, defaults and delinquencies in the residential mortgage market and a decline in the credit quality of mortgage-backed securities. These problems led to a slow-down in residential housing market transactions, declining housing prices, delinquencies in non-mortgage consumer credit and a general decline in consumer confidence. These conditions caused a loss of confidence in the broader United States and global credit and financial markets and resulted in the collapse of, and government intervention in, major banks, financial institutions and insurers and created a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions which continued throughout 2012 with continued uncertainty in the European marketplace and continued uncertainty surrounding the "fiscal cliff" and United States government spending cuts. Notwithstanding various actions by the United States and foreign governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to deteriorate and stock markets to fluctuate substantially. In addition, general economic indicators have continued to deteriorate, including consumer sentiment, unemployment and economic growth and uncertainty about corporate earnings.

These disruptions in the current credit and financial markets have had a significant material adverse impact on a number of financial institutions and have limited access to capital and credit for many companies, including junior mining companies. These disruptions could, among other things, make it more difficult for the Company to obtain, or increase its cost of obtaining, capital and financing for its operations. Access to additional capital may not be available to the Company on terms acceptable to it, or at all. Further, as a result of on-going global financial conditions, numerous financial institutions have gone into bankruptcy or have been rescued by government authorities. As such, the Company is subject to the risk of loss of its deposits with financial institutions that hold the Company's cash.

## **DIVIDEND POLICY**

The Company's policy is to retain earnings, if any, for the financing of future growth and development of its business. As a result, the Company does not intend to pay dividends in the foreseeable future.

## **DESCRIPTION OF CAPITAL STRUCTURE**

The Company is authorized to issue an unlimited number of common shares (the "common shares") without par value.

The holders of the Company's common shares are entitled to receive notice of and to attend all meetings of the shareholders of the Company. Each common share carries one vote. In the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or any other distribution of its assets among its shareholders for the purpose of winding up its affairs, the holders of the common shares of the Company are entitled to receive the remaining property and assets of the Company on a pro rata basis.

As of June 27, 2017, the Company had 121,671,693 common shares issued and outstanding.

### **Stock Options:**

<b>Expiry Date</b>	<b>Exercise Price Per Share</b>	<b>Number of Shares Remaining Subject to Options (June 27, 2017)</b>
November 3, 2020	\$0.16	9,721,000
August 17, 2021	\$0.39	500,000
<b>TOTAL:</b>		<b>10,221,000</b>

There are no constraints imposed on the ownership of its securities and it does not have a required level of Canadian ownership in its securities.

The Company has not asked for nor received a credit rating from any credit rating organization.

## **MARKET FOR SECURITIES**

The common shares of the Company are listed and posted for trading on the Toronto Stock Exchange (the "TSX") under the symbol "LVN". The following table sets out the monthly price and volume of trading for the common shares of the Company on the TSX during the fiscal year ended March 31, 2017:

<b>Month</b>	<b>High (\$)</b>	<b>Low (\$)</b>	<b>Volume</b>
April 2016	0.335	0.14	3,467,416
May 2016	0.31	0.24	1,844,460
June 2016	0.30	0.23	3,555,086
July 2016	0.54	0.285	5,478,208
August 2016	0.71	0.46	4,748,667
September 2016	0.62	0.44	3,128,122

October 2016	0.49	0.36	2,023,538
November 2016	0.45	0.29	2,325,974
December 2016	0.32	0.25	2,254,885
January 2017	0.44	0.29	3,357,454
February 2017	0.51	0.345	2,849,202
March 2017	0.455	0.36	3,283,536

## **ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER**

The Company has no escrowed securities or securities subject to contractual restriction on transfer.

## **DIRECTORS AND OFFICERS**

### **Directors and Senior Management**

The following list sets out for each director and executive officer of the Company, his name, province and country of residence, the positions and offices in the Company currently held by that individual, the period during which such individual has served as a director or executive officer of the Company and that individual's principal occupation during the past five years.

Each director serves as a director until the next annual general meeting of shareholders of the Company or until his successor is elected or appointed.

<b>Nominee Position with the Company and Province/State and Country of Residence</b>	<b>Principal Occupation, Business or Employment <sup>(1)</sup></b>	<b>Director of the Company Since</b>	<b>Committee Membership</b>	<b>Common Shares Beneficially Owned or Controlled as of June 27, 2017<sup>(2)</sup></b>
Barry Charles Honig Florida, U.S.A. Director,	President and Owner of GRQ Consultants Inc. and finance consultant.	July 9, 2015	Audit Committee, Compensation Committee & Mergers and Acquisitions Committee	9,003,467 <sup>(3)</sup>
Gary Robertson New Brunswick, Canada Director	Chartered Financial Planner-CFP®, Financial Advisor and Director, Private Client Group of Hollis Wealth Advisory Services Inc. Director of several reporting issuers.	July 9, 2015	Audit Committee, Compensation Committee & Governance and Nominating Committee	1,625,418 <sup>(4)</sup>
Ron Tremblay Cabo San Lucas, Mexico Director, President and CEO	Director, President and CEO of Levon. President of Stone's Throw Capital Corp.	February 18, 2016	Mergers and Acquisitions Committee	12,485,500 <sup>(5)</sup>

<b>Nominee Position with the Company and Province/State and Country of Residence</b>	<b>Principal Occupation, Business or Employment <sup>(1)</sup></b>	<b>Director of the Company Since</b>	<b>Committee Membership</b>	<b>Common Shares Beneficially Owned or Controlled as of June 27, 2017<sup>(2)</sup></b>
Edward Karr Geneva, Switzerland Director	CEO of RAM Partners S.A., a private financial services organization in Geneva, Switzerland.	July 9, 2015	Audit Committee, Compensation Committee & Mergers and Acquisitions Committee	500,000
Daniel Vickerman London, England Director, Chairman of the Board	Head of Europe/UK Sales and managing Partner at Edgecrest Capital UK LLP.	July 9, 2015	Governance and Nominating Committee	200,000
Victor Chevillon Nevada, U.S.A. Director & Vice-President Exploration	Certified Professional Geologist; President of Chevillon Exploration Consulting. Director and Vice President, Exploration of Levon.	July 9, 2015	N/A	1,455,375
Nigel Kirkwood British Columbia, Canada Chief Financial Officer	President, NK Financial Services Ltd., providing CFO and management services to TSX and TSX-V companies.	May 14, 2015	N/A	0
Christina Boddy British Columbia, Canada Corporate Secretary	Principal, Rhodanthe Corporate Services; Corporate Secretary of several reporting issuers.	May 4, 2015	N/A	0

<sup>(1)</sup> The information as to principal occupation, business or employment and common shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each director has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.

<sup>(2)</sup> The number of common shares beneficially owned by the directors, directly or indirectly, is based on information furnished by Computershare Investor Services Inc., the registrar and transfer agent of the Company, public disclosure at [www.sedi.ca](http://www.sedi.ca), and by the directors themselves.

<sup>(3)</sup> Of these shares, Barry Honig holds 3,243,467 shares indirectly through GRQ Consultants Inc. 401K.

<sup>(4)</sup> Of these shares, Gary Robertson holds 25,000 shares indirectly through 056581 NB Ltd., a company of which he is the sole shareholder. He also holds 812,147 shares indirectly through 058907 NB Ltd., a company of which he is the sole shareholder.

<sup>(5)</sup> These shares are held by Ron Tremblay indirectly through Stone's Throw Capital Inc., a company of which he is the sole shareholder.

As of the date of this AIF, no director or executive officer of the Company is, or within the ten years prior to the date of the AIF been, a director, chief executive officer or chief financial officer of any company (including Levon), that:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or executive officer of the Company is, at the date of this AIF, or has been within the 10 years before the date of this AIF, (i) a director or executive officer of any company (including Levon) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, or the executive officer.

No director or executive officer of the Company has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in making an investment decision.

### **Conflicts of Interest**

There are no existing or potential conflicts of interest among the Company, its directors, officers or promoters as a result of their outside business interests with the exception that certain of the Company's directors, officers and promoters serve as directors, officers and promoters of other companies, as set out below, and, therefore, it is possible that a conflict may arise between their duties as a director, officer or promoter of the Company and their duties as a director or officer of such other companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with the British Columbia Business Corporations Act, and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

All of the Company's directors are also directors, officers or shareholders of other companies that are engaged in the business of acquiring, developing and exploiting natural resource properties including properties in countries where the Company is conducting its operations. Such associations may give rise to conflicts of interest from time to time. Such a conflict poses the risk that the Company may enter into a transaction on terms which place the Company in a worse position than if no conflict existed. The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interest which they may have in any project or opportunity of the Company. However, each director has a similar obligation to other companies for which such director serves as an officer or director. The Company has no specific internal policy governing conflicts of interest.

Several of our senior officers divide their professional time between service for the Company and service for other companies in the industry. In this regard, Ron Tremblay, the Company's Chief Executive Officer and President, devotes approximately 98% of his professional time to the business of the Company; Victor Chevillon, the Company's V.P. Exploration, devotes approximately 95% of his professional time to the business of the Company; Nigel Kirkwood, the Company's Chief Financial Officer, devotes approximately 40% of his professional time to the business of the Company and Christina Boddy, Company's Corporate Secretary, devotes approximately 30% of her professional time to the business of the Company.

## LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management is not aware of any legal proceedings outstanding, threatened or pending as of the date hereof by or against the Company.

During the fiscal year ended March 31, 2017, the Company was not subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority;
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; or
- (c) any settlement agreements entered into before a court relating to securities legislation or with a securities regulatory authority.

## INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set out below, since the commencement of the Company's most recently completed financial year, no director or executive officer of the Company or any person or company, nominee for director or any associate or affiliate of any informed person or nominee, had any material interest, direct or indirect, in any transaction, or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

To the knowledge of the Company's directors and senior officers, the following table sets forth certain information as at March 31, 2017 concerning the ownership of the Company's common shares as to each person known by the directors and senior officers, based solely upon public records and filings, to be the direct and/or indirect owner of more than five (5%) percent of the Company's common shares, who owned more than five percent of the outstanding shares of each class of the Company's voting securities.

Name	Number of Shares of Common Stock Owned	Percent of Class
Ron Tremblay	12,485,500*	10.26%
Barry Honig	9,003,467	7.40%
All Officers and Directors as a Group (8 persons)	25,269,760	20.77%

\* These shares are held by Ron Tremblay indirectly through Stone's Throw Capital Inc., a company of which he is the sole shareholder.

## TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the common shares of the Company is Computershare Investor Services at its principal office in Vancouver, British Columbia.

## MATERIAL CONTRACTS

During the fiscal year ended March 31, 2017, the Company did not enter into any material contracts, other than contracts entered into in the ordinary course of business.

## INTERESTS OF EXPERTS

During the fiscal year ended March 31, 2017, the Company did not rely on any experts to prepare or certify reports, valuations, statements or opinions described or included in a filing, or referred to in a filing made

under National Instrument 51-102 by Levon during, or relating to, Levon's most recently completed financial year.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Additional information, including directors' and officers' remuneration and indebtedness, if any, principal holders of the Company's securities and securities authorized for issuance under the option plan will be contained in the Company's 2017 management information circular to be filed in connection with the Company's annual and general meeting of shareholders held on or before September 30, 2017.

Additional financial information is provided in the Company's audited financial statements and management's discussion and analysis for the fiscal year ended March 31, 2017.